Shoplifters Target Self-Checkout Registers Amid Soaring Inflation

With skyrocketing daily product prices, retailers all over the world are recording an increase in shoplifting incidents.

KAUNAS, LITHUANIA, December 8, 2022 /EINPresswire.com/ -- Over the second half of 2022, retailers in the UK reported an increase of 18% in thefts, while according to the US National Retail Federation, the amount of organized shoplifting increased by 26.5%. In nine-out-of-ten incidents, shoplifters were targeting self-checkout registers.

CEO of ScanWatch Saulius Kaukenas

In addition to alcoholic beverages and other premium goods, shoplifters went after butter, milk, cheese and other daily products.

> **"**
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> *CEO of ScanWatch Saulius Kaukenas*

"This is clearly a new trend and a direct result of consumer goods price increases" - says CEO of retail technology startup ScanWatch Saulius Kaukenas.

According to Mr Kaukenas, in 2022 saw a major shift in shoplifting behavior.

"The industry is used to a 2% shrinkage rate due to organized theft. Sadly, this rate is a given. Yet in 2022 retailers saw an increase in "accidental" first-time shoplifters - common shoppers, who have no criminal background or major criminal intentions".

According to data from major retailers, these first-time shoplifters most often target self-checkout registers. A 2016 joint US retailer and Leicester university study states that losses from theft at locations with self-checkout kiosks are at 4% - nearly double the common industry

average. Due to the rise in thefts, Wegmans, a major US retailer with 109 store locations, discontinued self-service checkout.

"Self-checkouts often are the weakest link in retail security. There is also a major psychological factor in play. There is a certain stigma to tricking a human cashier, while fooling a machine is more of a challenge - especially for first time offenders" - tells Saulius Kaukenas.

In 2022 retailers also recorded a major increase in mis-scanned items - when unpacked goods such as avocados turn into onions, as well as intentional incidents, where not all items in the shopping cart are scanned, or product barcodes are switched.

ScanWatch automatically identifies scanned products at the self-checkout counters, reducing checkout time and mitigating checkout fraud.

According to a recent 2500 US shopper survey, 20% admitted to intentionally cheating at the self-checkout registers.

"The main reasons for this as most self-checkout systems simply lack the appropriate security measures" - adds Mr Kaukenas.

Retail technology startup ScanWatch develops loss prevention software for self-checkout platforms. ScanWatch uses AI and Computer Vision to automatically identify items scanned at the self-checkout kiosks. This also helps to improve shopping experience, as unpackaged goods - such as fruit, vegetables, baked goods - are instantly recognized, without the need for the shopper to look for the product in the picklist menu. It also matches the image of the scanned product to the one in the product database - helping to prevent the switching of barcodes. By utilizing security cameras installed in the self-checkout area, ScanWatch checks that all products in the shopping basket were scanned.

ScanWatch already saw deployments with leading retail chains in Poland, Germany and other European countries. The platform is compatible with self-checkout hardware from all major checkout system manufacturers.

"The holiday season will see a record rise in thefts - and the industry is trying to adapt to this new reality. RFID or security tags will not protect every carton of milk. QR code scanning at the

checkout gate is also more of a bandage than a proper solution. To make self-checkout work, the industry needs to step up in terms of security technology" - says Mr Kaukenas.

About ScanWatch | www.scanwatch.ai

ScanWatch develops AI products to improve retail experience. The app by ScanWatch automatically identifies scanned products at the self-checkout counters, reducing checkout time and mitigating checkout fraud. ScanWatch is a spinoff of a leading Baltic software developer Agmis.

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